

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF: Robert David Smith)
_____))

FILE NO. 1300185

CONSENT ORDER OF REVOCATION

TO THE RESPONDENT:

Robert David Smith
CRD# 5009835
635 W 42nd Street, Apt. 2E
New York, NY 10036

WHEREAS, Respondent on the 1st day of July 2013 executed a certain Stipulation to Enter Consent Order of Revocation (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing of the Secretary of State, Securities Department, dated May 20, 2013 in this proceeding (the "Notice") and Respondent has consented to the entry of this Consent Order of Revocation "Consent Order")

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act.
2. That on April 9, 2013 FINRA entered Order of Offer of Settlement ("AWC" or "Order") submitted by the Respondent regarding Disciplinary Proceeding No. 2011029740301 which sanctioned the Respondent as follows:
 - a) Permanently barred from any association with any FINRA member in any capacity.
3. FINRA Rule 2010 and NASD Rule 3110: Smith misappropriated over \$12,600 from his member firm by submitting 19 false travel and expense reports to the firm for meals drinks and transportation purportedly for client entertainment. The 19 expense reports were false and misleading because none of the clients listed by Smith attended the events and, on numerous occasions, the only attendees were the firm's employees, not clients. By submitting the false expense reports, Smith induced his firm to pay these expenses. Smith reimbursed \$12,600 to the firm. By

Consent Order of Revocation

2

intentionally submitting false and misleading expense reports, Smith caused the books and records preserved by his firm to be inaccurate.

4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such Salesperson has been suspended by any self-regulatory organization Registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory Organization.
5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.
6. That by virtue of the foregoing, the Respondent's registration as a Salesperson in the state of Illinois is subject to revocation pursuant to Section 8.E(1)(j) of the Act.

WHEREAS Respondent acknowledged the Secretary of State's additional finding of fact

- 7 That Section 8 E(3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson or investment adviser representative becomes effective 30 days after the receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that following shall be adopted as the Secretary of State's Conclusion of Law:

The Respondent's registration as a Salesperson in the State of Illinois is subject to revocation, effective 4-16-2013, pursuant to Section 8.E(1)(j) and 8.E(3) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that his registration as a Salesperson in the State of Illinois shall be revoked effective April 16, 2013.

Consent Order of Revocation

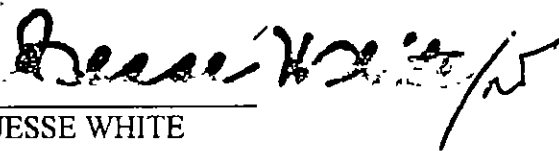
3

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

1. The Respondent's registration as a Salesperson in the State of Illinois shall and is **REVOKED**, effective April 16, 2013.
2. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED: This 8th day of July 013



JESSE WHITE
Secretary of State
State of Illinois

Cheryl Goss Weiss
Enforcement Attorney
Illinois Securities Department
Office of Secretary of State
69 West Washington St. – Suite 1220
Chicago, IL 60602
Telephone: 312 793.3384
Facsimile: 312.793.1202